

U.S. Department of Energy

(08/05)

WEATHERIZATION ANNUAL FILE WORKSHEET

Expiration Date: 6-30-08

Grant: R530683

Amendment: 009

State: MO

Program year: 2008

Budget period: 07/01/2008 - 06/30/2009

II.3 Subgrantees

Grantee	City	Tentative	
		Funding	Units
Central Missouri Community Action	Columbia	309,485.00	99
Community Action Agency of St. Louis County	St. Louis	548,798.00	163
Community Services, Incorporated of Northwest Mo.	Maryville	229,409.00	64
Delta Area Economic Opportunity Corporation	Portageville	250,588.00	69
East Missouri Action Agency	Park Hills	286,879.00	124
Economic Security Corporation of Southwest Mo.	Joplin	261,894.00	85
Green Hills Community Action Agency	Trenton	144,048.00	39
Jefferson-Franklin Community Action Corporation	Hillsboro	241,549.00	81
Kansas City Neighborhood and Community Services Dept.	Kansas City	1,138,386.00	381
Missouri Ozarks Community Action, Inc.	Richland	354,409.00	95
Missouri Valley Community Action Agency	Marshall	258,751.00	71
North East Community Action Corporation	Bowling Green	315,703.00	92
Northeast Missouri Community Action Agency	Kirksville	118,352.00	29
Ozark Action, Inc.	West Plains	223,845.00	60
Ozarks Area Community Action Corporation	Springfield	656,554.00	200
South Central Missouri Community Action Agency	Winona	238,954.00	71
Urban League of Metropolitan St. Louis	St. Louis	607,204.00	180
West Central Missouri Community Action Agency	Appleton City	246,912.00	70
TOTALS		6,431,720.00	1,973

II.4 WAP Production Schedule

Total Units (excluding reweatherized)	1,927

Units by type (excluding reweatherized):	
Owner-occupied single-family site-built	
Single-family rental site-built	
Multi-family	
Owner-occupied mobile home	
Renter-occupied mobile home	
Shelter	
Units by occupancy:	
Elderly	
Persons with disabilities	
Native American	
Children	
High residential energy user	
Household with a high energy burden	
Other unit types:	
Rewatherized Units	46

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Average Unit Costs, including Reweathering, Subject to DOE Program Rules	
VEHICLES & EQUIPMENT AVERAGE COST PER DWELLING UNIT (DOE RULES)	
A Total Vehicles & Equipment (\$5,000 or more) Budget	
B Total Units Weatherized	1,927
C Total Units Reweatherized	46
D Total Dwelling Units to be Weatherized and Reweatherized (B + C)	1,973
E Average Vehicle & Equipment Acquisition Cost per Unit (A divided by D)	\$0.00
AVERAGE COST PER DWELLING UNIT (DOE RULES)	
F Total Funds for Program Operations	\$4,983,888.00
G Total Dwelling Units to be Weatherized and Reweatherized (from line D)	1,973
H Average Program Operations Cost per Unit (F divided by G)	\$2,526.05
I Average Vehicle & Equipment Acquisition Cost per Unit (from line E)	\$0.00
J Total Average Cost per Dwelling (H plus I)	\$2,526.05

II.5 Energy Savings

Method used to calculate energy savings: WAP algorithm ☐ Other (describe below) ☒

The State estimates it will save approximately .052768 TBTU for the Program Year. The energy savings methodology assumes an average Missouri home consumes 198.11 mmbtu and saves approximately 13.5% as a result of WAP (from September 1994 Weatherization Works: Final Report of the National Weatherization Evaluation). ES = 198.11 mmbtu x 0.135 savings x 1,973 units. The Missouri WAP will revisit the savings calculations after the current National Meta-Evaluation is complete.

Estimated average annual savings per dwelling based on the 1996 DOE Metaevaluation study

Primary heating fuel	Space Heating Savings	Total fuel Savings	Net savings(Mbtu/year)
Natural Gas	33.5%	23.4%	31.2 Mbtu/year
Electricity	35.9%	12.2%	18.9 Mbtu/year
Fuel Oil (Northeast)	17.7%	17.7%	22.4 Mbtu/year
All fuels*	18.2%	13.5%	17.6 Mbtu/year

*Includes estimates for propane, wood, kerosene, and other fuels.

Estimated energy savings: 52,768 (MBtu)

Estimated prior year savings: 43,460

Actual: 69,028

If variance is large, explain:

II.6 Training, Technical Assistance, and Monitoring Activities

The goals of the Missouri Low-income Weatherization Assistance Program are to provide effective management of federal, state and other funding; continuation of improved weatherization services, increased energy efficient housing, long-term reduction in utility bills and comfort and safety of those served.

Section II.6 herein describes specific training and technical assistance activities. Section III.4 of the "On file" Information describes the overall approach and includes (1) Assessment of training needs for local weatherization agencies and (2) Productivity of agencies and development of T&TA activities.

Local weatherization agency Professional Alliance work group and the Energy Center assessment of training needs concluded that:

Training should be on-going

Training should be mandatory depending on job classification and certification requirements, voluntary in other instances

Training should include theory and hands-on approach

Training should be provided on a regional basis

Training should include a combination of training options

Training should include conferences and workshops

Training should include peer exchange

The Missouri Energy Center has issued a Memorandum of Agreement with Linn State Technical College (LSTC) in which LSTC serves as the Energy Center's subgrantee to provide training for the Energy Center's network of local agency weatherization technicians. LSTC is devoted to technical education at the Associate of Applied Science level. The Energy Center requires the network of local agency weatherization technicians to be trained in building science principals, advanced building diagnostics, combustion heating systems and whole house best practices approach to cost effective energy efficiency measures. Technicians are required to demonstrate competency in knowledge and performance skills in these disciplines through the Building Performance Institute (BPI) testing and certification program.

Training courses will focus on Auditor, Shell Specialist and Heating/Cooling certifications. It is anticipated that training will include, but not limited to the following topics:

Building Science Principals

Basic Auditing Procedures

Advance Building Diagnostics

Air Sealing, Insulation Materials and Techniques

Combustion Heating Systems

Combustion Appliances

Duct System Diagnostics and Repair

Whole House Best Practices

Health and Safety

Mold and Mold Hazards Awareness

Using NEAT to Establish Weatherization Priorities

Blower Door

Lead-Safe Work Practices

Mobile Home Energy Audit Training

During program year 2008, Missouri will begin to implement a mobile home audit component. The Manufactured Home Energy Audit (MHEA) is now available to the network as part of the Weatherization Assistant. Missouri participated in the field testing of the MHEA audit. Training will be provided on the use of NEAT/MHEA at the Training Center.

Lead-Safe Work Practices training is planned for both direct hire and contractor crew workers. New crewmembers are required to be trained within a six-month period. Re-training for lead-safe work practices needs to be completed within a three-year period.

Training activities will focus efforts on certification for Missouri weatherization technicians. The objective is to provide a mechanism by which technicians may be certified in accordance with the Building Performance Institute (BPI). BPI has established technical standards and testing protocols for trade professionals to ensure efficiency and durability of the buildings they work on and the comfort and safety of the people who live in them. BPI-certified technicians are required to demonstrate competency in the knowledge and performance skills necessary to inspect, diagnose and troubleshoot building performance issues.

Beginning in program year 2005 each weatherization agency was required to have at least one BPI-certified auditor, Building Analyst I, on staff as part of a quality assurance program. Any subgrantees without the required trained and certified energy auditor must submit a corrective action plan to the Energy Center before the Department of Natural Resources will award a subgrant for the subsequent program year.

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Details regarding state program oversight and T&TA funding are contained in the standard federal 424 form: Federal Assistance Budget information Section A and B. The Missouri Energy Center has allocated a portion of state T&TA funds to each local agency subgrantee. Each subgrantee will be awarded a portion of T&TA funds based on the subgrantee's budgeted need and as approved by the Energy Center. Local agency T&TA funds may only be used to pay for the cost associated with:

BPI related training courses related to certification and re-certification
 Local and State LIWAP-related meetings and training conferences
 Regional and national LIWAP-related meetings and training conferences
 Training on computers and software related to LIWAP operations
 LIWAP training or assistance provided between local agency subgrantees.

Effectiveness of Training and Technical Assistance:

Surveys of training participants to rate course content, effectiveness of instruction and applicability to improved weatherization services

NEAT audit results and savings to investment ratio

Cost and quality of home energy retrofit

Housing quality monitoring inspections

Implementation of best practices and work quality standards

MONITORING ACTIVITIES:

DNR/EC monitoring activities span four distinct but interrelated areas of program operations:

1. Housing quality inspections
2. Production and expenditure reviews
3. Fiscal and program operations
4. Oversight of federal/state requirements and regulations

Implementing the DNR/EC monitoring system involves:

A. Desk Monitoring

A Subgrantee is required to submit monthly reports to DNR/EC that include the client's names, job numbers and other required information. From these documents, DNR/EC can determine compliance with:

- The federally designated expenditure categories.
- Actual expenditures versus planned expenditures.
- Overall expenditure rates by each Subgrantee.
- Characteristics of completed homes.
- Numbers of completed units per month.
- Numbers of persons and households by WAP targets.

Reimbursement to a Subgrantee is based on clear, accurate reporting of expenditures and clients served. DNR/EC provides each Subgrantee with an analysis of the monthly report. This includes feedback concerning specific problems a Subgrantee may be experiencing in its operations or in its compliance with grant requirements. Information collected is also used to target selected items for monitoring during field visits to a Subgrantee.

B. Procedural Monitoring

DNR/EC will visit each Subgrantee at least once each program year to review procedural, fiscal and compliance issues. DNR/EC will conduct a thorough review of the procedures of the Subgrantee by using a standardized and extensive monitoring protocol.

DNR/EC will review Subgrantee compliance with federal/state regulations and requirements as specified in the Missouri WAP Annual and Master files, the Missouri WAP Competitive Procurement Standards, and the DNR General Terms and Conditions for Federal Subgrants.

Annual independent audits will be reviewed to ensure audit financial schedules match financial reports submitted during the year.

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C. Housing Quality Monitoring

Several factors are inspected by DNR/EC housing quality monitors during on-site visits.

1. DNR/EC will schedule an on-site visit(s) to a Subgrantee as necessary, but at least once per program year, to inspect the quality of work on the homes completed. A representative sample of completed homes will be inspected to determine whether or not the work reported and materials installed are in compliance with WAP standards.

DNR/EC will have the option to inspect additional houses when implementing new measures or other concerns arise. Inspection checklists are used to assist DNR/EC with on-site inspections. Additional information may be obtained or requested from the Subgrantee client files to document the findings of the monitoring visit. DNR/EC will inspect the following:

- Compliance with allowable WAP measures.
- Quality of work.
- Accuracy of the report concerning the amount of material installed on the home.
- Assurance that the initial energy audit and final inspection are appropriate, accurate and complete.

2. DNR/EC may also perform follow-up reviews of homes where additional work or corrective measures were required as a result of a past DNR/EC inspection.

3. Selected materials will be inspected to insure they meet federal specifications.

4. Pre-audits may be done to determine accuracy.

D. Independent Monitoring**1. Independent Fiscal Audit Review**

A Subgrantee is required to have an annual fiscal audit, in accordance with OMB Circular A-133. This audit shall document expenditures and compliance with regulations and requirements. The independent auditor shall use the schedules found in the WAP audit guide to present the required financial data. Findings are compared to the subgrant and monthly reports.

Client Education: See the Missouri Weatherization Operational Manual, Section 2, page 9.

II.7 DOE-Funded Leveraging Activities

Federal regulations allow weatherization funds to be used for leveraging activities. Under leveraging, subgrantees work at developing relationships with property owners, utility companies and other entities that generate non-federal resources for the program. Examples of some of the leveraging partnerships are donations from some local/national hardware and lumber stores, local realtors, etc. All Weatherization subgrantees participate in leveraging and partnership activities, although not all of them charge expenditures to the leveraging category for these activities. Non-federal resources are used to supplement the program and expand energy efficiency services and/or increase the number of dwelling units completed for weatherization eligible clients.

Subgrantee agencies are encouraged to budget an amount of funds the agency actually believes it will be able to use, not to exceed 5% of its grant allocation, for leveraging purposes. Subgrantee requests for leveraging must include specific planned leveraging activities; targeted partners (e.g., landlords, utilities, other agencies); and estimated outcomes including dollar amounts. If agencies do not initiate meaningful leveraging activities, the funds may be considered as state carryover, and may be redirected to other agencies.

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Kansas City Neighborhood and Community Services Dept.	Mr. Robert Jackson, Weatherization Director
Ozark Action, Inc.	Mr. Terry Sanders, Weatherization Director
Office of Public Counsel	Mr. Ryan Kind
Boone Electric Cooperative	Mr. Chris Rohlfing
Public Service Commission	Ms. Anne Ross
Lieutenant Governor's Office	Mr. Eric Feltner
Economic Security Corporation of Southwest Area	Mr. John Joines
Ozarks Area Community Action Corp	Mr. Todd Steinmann, Weatherization Director
Missouri Gas Energy	Ms. Pam Levetzow
Vacancy	

II.9 State Plan Hearings (send notes, minutes, or transcript to the DOE office)

Hearing Date
04/02/2008
04/04/2008

Newspapers that publicized the hearings and the dates that the notice ran.

Springfield News Leader, 3/26/08
Columbia Tribune, 3/24/08

II.10 Adjustments to On-File Information

PY 2008 is the final year of the current 5-year WAP grant from the US DOE to MODNR. US DOE staff has informed MODNR that new federal accounting rules will make it extremely difficult to carryover any unspent funds from PY 2008 into a new federal grant that would begin with PY 2009.

Therefore, it is the MODNR's goal to expend all federal WAP funds by June 30, 2009. In January, 2009, the MODNR will evaluate the production and rate at which each subgrantee is expending WAP funds. If the MODNR analysis shows that any subgrantee's rates of production and expenditure of funds are insufficient to use all WAP funds by June 30, 2009, MODNR will recapture excess funds and redistribute them to other subgrantees with higher rates of production and expenditure. Prior to recapture, subgrantees will be allowed to justify why expenditures in the first six months were significantly less than the norm and present an action plan explaining how the subgrantee believes it can use all funds by June 30, 2009.

- The DNR/EC plans to utilize the \$2,966 average cost per home, including any inflationary adjustments.

The tentative allocations are based on new funding and EC carryover redistributed to subgrantees. At the time of this plan, the subgrantees were asked to estimate subgrantee carryover to include with the new funds. The allocations and number of homes to be weatherized are based on new funds and estimated carryover.

II.11 Miscellaneous

DNR/EC began using the NEAT audit on a statewide basis on July 1, 1994. The NEAT re-approval was obtained on 12/10/2003. Re-validation efforts began during PY 2007.

Technical Work Group: The state, working with the Professional Alliance, formed a Technical Work Group. This group will advise the state on various technical matters. The Technical Work Group is represented by:

Ted Koenig, MODNR Energy Center

Larry Sapp, Linn State Technical College, Linn

Terry Sanders, Ozark Action, Inc., West Plains

Mike Baker, Northeast Missouri Community Action Agency, Kirksville

Stephen Boniello, KC Neighborhood & Community Services Department, Kansas City

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Teresa House, Central Missouri Community Action, Columbia
 Skip Sears, Missouri Ozarks Community Action, Richland
 Todd Steinmann, Ozarks Area Community Action Corporation, Springfield

The Technical Work Group will make technical recommendations regarding the Missouri Weatherization Program.

Disaster Plan

Declaration of a disaster for WAP purposes is determined by a Presidential or Gubernatorial order declaring either a Federal or State emergency. It may be the result of natural or man-made factors. It is the responsibility of the Energy Center Weatherization Assistance Program, through its subgrantee network, to assist state and community authorities in normalizing areas affected by a disaster by providing WAP resources to assist Missouri low-income citizens in recovering and rebuilding after the disaster. The Weatherization Program will adhere to the following guidelines when responding to any disasters in which the low-income population has been affected. These guidelines are intended to maximize the assistance we are able to provide while protecting the limited resources of the program.

Disaster-mitigation planning activities shall be implemented as soon as practical after the declaration of a disaster. A WAP subgrantee shall not commit WAP resources (labor or financial) until it receives approval from the Energy Center.

Any additional disaster-related funds will be allocated based on the extent of the disaster in each subgrantee area. Funds must supplement, not supplant, other funds available for disaster assistance. All funds received by the client to cover damages must be considered prior to the allocation of WAP resources. Attachment 2-3, the Disaster Certification form located at the end of this section, should be completed for each client requesting disaster assistance.

Safety measures, such as levees or other protections, should be in place prior to mitigation activities. Agency staff should consult with local utilities to ensure electric, gas and sewer hazards have been corrected or repaired.

A. Allowable Disaster Activities

Allowable disaster activities may include debris removal and other clean-up work in preparation for weatherization as well as normal weatherization services. If agency staff is assigned to another area of the state to assist in disaster activities, it will be the parent subgrantee's responsibility to maintain their salaries and to arrange for agency reimbursement. The following ECM priority list is recommended for disaster homes.

Labor for gutting damaged components of the house and debris clean up.
 Primary heating system replacement and repair (including ductwork repair; replacement, cleaning and sealing of all joints; and venting, flue and chimney replacement, repair and cleaning).
 Domestic water heaters (venting and flues included).
 Window and door repair and/or replacement.
 Air sealing (basic infiltration and exfiltration work).
 Attic insulation and ceiling coverage.
 Wall insulation.

Specific procedures to weatherize mobile homes under the disaster provisions are found in Attachment 2-4.

B. Eligibility Requirements

WAP subgrantees must ensure that applicants for disaster assistance (1) meet the current eligibility requirements, (2) are located within the designated disaster area and (3) have been directly affected by the disaster. Homes located in a FEMA-sanctioned area are not eligible for assistance.

Applicant homes must be certified as habitable, and a disaster certification form must be completed, signed and retained in the client file. The owner of a rental unit must list the property with Section 8 or provide other proof that the unit will remain exclusively for the low-income. A landlord contribution, based on a sliding scale, will be required (if a landlord contributes a furnace or other material, its value can be counted toward the contribution).

Client income eligibility may be based on one month's income. The fuel priority selection criteria allows for up to 100 points for

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disaster clients. Victims needing heating system or water heater repair or replacements will be served first.

Disaster-damaged homes may be re-weatherized without regard to the initial date of weatherization if the damage is not covered by insurance. Victims may receive repair or replacement to domestic hot water heaters as a health-and-safety measure. Repairs to the building structure that exceed the DOE average expenditure per home limits must be approved by the state.

C. Equipment Procurement

All purchased items should meet minimum energy-efficiency ratings as detailed in 10 CFR 440, Appendix A. Subgrantees must comply with all requirements specified in 10 CFR Parts 600 and 440, OMB A-87 (if applicable), OMB A-122 (if applicable), and the requirements specified in the DNR General Terms and Conditions for Federal Subgrants, Missouri Weatherization Operational Program Manual's Competitive Procurement Standards.

D. Additional Funding

If additional funds are received from the department or other fund sources, a subgrantee may allocate up to \$10,000 per unit. If no additional funds are received, the state plan cost limits apply. Program operations money may be used to support mitigation and clean-up activities. No additional administrative funds will be provided for disaster work.

E. Disaster Expenditures Accountability and Reporting

Disaster expenditures must be accounted for and reported separately from other costs. The monthly report must show these expenses under "other". The costs will not be included in the averages. Program year budget adjustments must be submitted to the Energy Center within 30 days of the date of the incurred costs.

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LOW-INCOME WEATHERIZATION ASSISTANCE PROGRAM

PUBLIC HEARING

6

PROGRAM YEAR 2008/FISCAL YEAR 2009

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APRIL 2, 2008

9

10:30 A.M.

10

Central Missouri Community Action

11

807-B North Providence

Columbia, Missouri

12

13

Conducted by:

14

Marcy Oerly and Joseph Gassner

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Missouri Department of Natural Resources

Energy Center

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1 P R O C E E D I N G S
 2 MR. GASSNER: We'll go ahead and get
 3 started. My name is Joe Gassner. I'm with the
 4 Missouri Department of Natural Resources with the
 5 Energy Center, and I'd like to welcome everybody
 6 today. We're here to discuss the Low-Income
 7 Weatherization Assistance Program, and this is a
 8 public hearing. Marcy Oerly is the Program Manager
 9 for the Weatherization Assistance Program, and she
 10 will be reading a statement of record, and that will
 11 explain the proposed -- the draft state plan, and
 12 we'll have the opportunity for comment up until
 13 April 4th.
 14 We'll also have the opportunity for
 15 people today to provide comment at the -- after
 16 Marcy's finished. So Marcy, go ahead.
 17 MS. OERLY: Okay. What I'm going to be
 18 reading is basically a background of the Low-Income
 19 Weatherization Program in Missouri, and then we're
 20 going to kind of go over some of the changes that
 21 we're making in the state plan for Program Year 2008,
 22 fiscal year 2009. So I will go ahead and start
 23 reading.
 24 The Missouri Department of Natural
 25 Resources' Energy Center administers the Low-Income

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1 Weatherization Assistance Program statewide in
 2 Missouri. The program is implemented at a local
 3 level by 16 community action agencies, a unit of
 4 local government and a not-for-profit agency.
 5 For eligible households the
 6 Weatherization Program provides cost-effective home
 7 improvements that may include reducing air
 8 infiltration; increasing insulation in walls, attic,
 9 floors and foundation; heating system "clean and
 10 tune"; heating system replacement; and minimal
 11 building envelope repairs. Only measures that are
 12 determined cost-effective are installed on eligible
 13 households.
 14 When weatherizing a home, crews also
 15 test heating systems and gas appliances for home
 16 hazards such as gas leaks and carbon monoxide.
 17 Visual and diagnostic inspections help homes become
 18 safer in addition to being more energy efficient.
 19 The program focuses on long-term

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20 reduction in utility bills and the comfort and safety
21 of those served. For example, a home heated with
22 natural gas can save as much as one third on space
23 heating after weatherization. These savings accrue
24 annually for the life of the measures.
25 The program prioritizes services to the

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1 elderly, people with disabilities and families with
2 children. Since 1978 weatherization funds have
3 helped to weatherize more than 150,000 Missouri
4 homes.
5 According to the U.S. Department of
6 Energy, in the winter of 2005-2006, weatherized homes
7 nationally saved \$1.9 billion. At current prices,
8 home energy savings averaged \$358 each year. In
9 addition, for every dollar invested in the program,
10 weatherization returns \$2.69 to the household and
11 society.
12 Of that \$2.69, \$1.53 is returned in
13 reduced energy bills and \$1.16 is returned to
14 ratepayers, households and communities through
15 increased local employment, reduced uncollectible
16 utility bills, improved housing quality and enhanced
17 health and safety.
18 The Energy Center is seeking comments
19 during today's public hearing and Friday's April 4th,
20 2008 public hearing that will be held in Springfield,
21 regarding the state's application and state plan for
22 federal funding of the Weatherization Assistance
23 Program. The state plan can also be found on DNR's
24 Energy Center's web site at -- it's a long web site
25 address, and if anybody wants it, I'll give it to you

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1 after the public hearing's over, but it's
2 www.dnr.mo.gov/energy/weatherization/wx.htm. So
3 again, I'll write that down after the public hearing
4 if anybody is interested. Comments will be accepted
5 until close of business on April 4th, 2008.
6 Federal weatherization funds in the
7 amount of \$5,975,410 have been allocated to the State
8 of Missouri by the United States Department of
9 Energy, and I will refer to that as US DOE further
10 on.
11 This allocation is to be utilized for
12 the period of July 1st, 2008, through June 30th,
13 2009. The Program Year 2008 allocation represents a
14 \$611,393, or about 10 percent increase over Program
15 Year 2007 federal funding of \$5,364,017. The funding
16 will be distributed as described below.
17 The Energy Center is proposing to
18 allocate weatherization funding according to a

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19 distribution formula in the same manner as previous
 20 years. The formula is a base funding amount
 21 distributed equally among weatherization program
 22 providers with a balance of the funds disbursed
 23 according to the low-income population in each local
 24 agency service area.
 25 Any additional funds that may be

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1 allocated to the federal weatherization program such
 2 as Utilicare or LIHEAP will be disbursed according to
 3 the low-income population in each local agency
 4 service area.
 5 A 9-person Policy Advisory Council
 6 assists in development of state weatherization
 7 program plan and policies. The Advisory Council is
 8 broadly representative of organizations and agencies
 9 that have special qualifications and sensitivity with
 10 respect to solving problems of low-income persons.
 11 The Policy Advisory Council has recommended a base
 12 funding amount of \$50,000 per agency.
 13 At this time I would like to present for
 14 the record a list of Weatherization Assistance
 15 Program providers and their tentative allocations and
 16 service areas. And that can be found on the Annual
 17 File Worksheet on page 1 if you want to review that.
 18 The tentative allocations, as shown in
 19 the Annual File, are based on new US DOE funding and
 20 Energy Center carryover that has been redistributed
 21 to the subgrantees. At the time of this draft plan,
 22 the subgrantees are being asked to estimate their
 23 Program Year 2007 carryover.
 24 The estimated funds from Program Year
 25 2007 will be included in the agency's Program Year

7

1 2008 grant award. This was done to facilitate more
 2 accurate financial planning and allow agencies to
 3 have immediate access to carryover funds. The
 4 tentative allocations and tentative number of homes
 5 to be weatherized are draft and will be changed as
 6 additional information is received from the
 7 subgrantees.
 8 Program Year 2008 is the final year of
 9 the current five-year Weatherization Assistance
 10 Program, or WAP, grant from the US DOE to the
 11 Missouri Department of Natural Resources. And I'll
 12 refer to that as MDNR.
 13 US DOE staff have informed MDNR that the
 14 new federal accounting rules will make it extremely
 15 difficult to carry over any unspent funds from
 16 Program Year 2008 into a new federal grant that would
 17 begin with Program Year 2009. It is MDNR's goal to

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18 expend all federal WAP funds by June 30th, 2009.
19 In January 2009, the MDNR will evaluate
20 the production and rate at which each subgrantee is
21 expending WAP funds. If the MDNR analysis shows that
22 any subgrantee's rates of production and expenditure
23 of funds are insufficient to use all WAP funds by
24 June 30th, 2009, MDNR will recapture excess funds and
25 redistribute them to other subgrantees with higher

8

1 rates of production and expenditures.
2 Prior to recapture, subgrantees will be
3 allowed to justify why expenditures in the first six
4 months were significantly less than the norm and
5 present an action plan explaining how the subgrantee
6 believes it can use all funds by June 30th, 2009.
7 Weatherization agencies will be allowed
8 to budget up to 5 percent of their grant allocation
9 for leveraging purposes. Subgrantees must submit a
10 leveraging plan with their Program Year 2008 budget.
11 The plan should address specific planned activities,
12 targeted partners such as property owners, utility
13 companies and other resources. The plan should also
14 include estimated outcomes and associated dollar
15 amounts.
16 The MDNR Energy Center will visit each
17 subgrantee at least once each program year to review
18 procedural, fiscal and compliance issues. The Energy
19 Center will conduct a thorough review of the
20 procedures of the subgrantee by using a standardized
21 and extensive monitoring protocol.
22 Subgrantees will be reviewed for
23 compliance with federal/state regulations and
24 requirements as specified in the Missouri WAP Annual
25 and Master Files, the Missouri WAP Competitive

9

1 Procurement Standards and the MDNR General Terms and
2 Conditions for Federal Subgrants. Annual independent
3 audits will be reviewed to ensure audit financial
4 schedules match financial reports submitted during
5 the year.
6 The MDNR Energy Center will schedule an
7 on-site visit to a subgrantee as necessary, but at
8 least once per program year to inspect the quality of
9 work on the homes completed. A representative sample
10 of completed homes will be inspected to determine
11 whether or not the work reported and the materials
12 installed are in compliance with WAP standards. The
13 Energy Center will have the option to inspect
14 additional houses when implementing new measures or
15 other concerns arise. Inspection checklists are used
16 to assist the Energy Center with on-site inspections.

U.S. Department of Energy

(08/05)

WEATHERIZATION ANNUAL FILE WORKSHEET (continued)

Expiration Date: 6-30-08

Grant: R530683**Amendment: 009****State: MO****Program year: 2008****Budget period: 07/01/2008 - 06/30/2009**

17 Additional information may be obtained or requested
 18 from the subgrantee client files to document the
 19 findings of the monitoring visit. The Energy Center
 20 may also perform follow-up reviews of homes where
 21 additional work or corrected measures were required
 22 as a result of past Energy Center inspections.
 23 The State has adopted the National
 24 Energy Audit Tool, or NEAT, developed by the Oak
 25 Ridge National Laboratory. NEAT is a computerized

10

1 auditing program that aids in selecting the most
 2 cost-effective weatherization measures. Subgrantees
 3 need to update their NEAT audit with the most recent
 4 version, enter updated fuel costs and update other
 5 applicable costs at the start of each program year.
 6 During Program Year 2008, Missouri will
 7 begin to implement a mobile home audit component.
 8 The Manufactured Home Energy Audit, or MHEA, is
 9 available to the network as part of the
 10 Weatherization Assistant. Missouri participated in
 11 the field testing of the MHEA audit. Training will
 12 be provided on the use of NEAT and MHEA at the Linn
 13 State Technical College Training Center.
 14 The proposed weatherization plan
 15 continues a testing and certification program for the
 16 Missouri weatherization technicians. The objective
 17 of the plan is to provide a mechanism by which the
 18 technicians working in the Missouri weatherization
 19 program may be certified in accordance with the
 20 standards set forth by the Building Performance
 21 Institute, or BPI.
 22 BPI is a resource for independent
 23 third-party verification of worker skills in the
 24 weatherization industry and building trades.
 25 BPI-certified technicians are required to demonstrate

11

1 competency in the knowledge and performance skills
 2 necessary to inspect and diagnose energy efficient
 3 and health and safety performance issues. Local
 4 weatherization agencies are required to have at least
 5 one BPI-certified auditor, which is a Building
 6 Analyst I, on staff as part of the quality assurance
 7 program.
 8 Any subgrantee without the required
 9 training and certified energy auditor must submit a
 10 corrective action plan to the Energy Center before
 11 MDNR will award a subgrant for the subsequent Program
 12 Year.
 13 Lead-Safe Work Practices training is
 14 planned for both direct hire and contract crew
 15 workers. New crew members are required to be trained

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(08/05)

WEATHERIZATION ANNUAL FILE WORKSHEET (continued)

Expiration Date: 6-30-08

Grant: R530683**Amendment: 009****State: MO****Program year: 2008****Budget period: 07/01/2008 - 06/30/2009**

16 within a six-month period. Retraining for lead-safe
 17 work practice needs to be completed within a
 18 three-year period.
 19 US DOE has provided new Program Year
 20 2008 guidance concerning their Space Heater Policy in
 21 regards to electric space heaters and unvented gas
 22 and liquid fuel space heaters. More specific
 23 information on the new requirements can be found in
 24 the US DOE Weatherization Program Notice 08-4.
 25 The last item that will be reviewed is

12

1 rental procedures. Rental units are weatherized
 2 under the Missouri WAP based on eligible criteria
 3 established in the WAP State Plan. Eligible clients
 4 residing in rental units must have a signed landlord
 5 agreement before work can commence. The agreement
 6 outlines the following federal regulation criteria:
 7 Landlord agrees not to raise the rent on weatherized
 8 units for a period of two years after weatherization
 9 is complete without just cause; the tenant will not
 10 be evicted during this two-year period without just
 11 cause; the landlord agrees that tenants with
 12 utility-inclusive rent will receive reduction in rent
 13 when utilities are reduced as a result of
 14 weatherization; a landlord shall not sell the
 15 premises for a period of two years unless the buyer
 16 agrees to assume the above obligations.
 17 When work is performed on any type of
 18 rental unit, the State recognizes the potential for
 19 owners to receive undue enhancement benefits.
 20 therefore, the State requires a subgrantee to negotiate
 21 with the landowner -- with the owner/landlord for
 22 co-participation match contribution. The amount of
 23 the contribution is left to the judgment of the
 24 subgrantee. Landlords, however, must contribute a
 25 minimum of 5 percent of the project cost.

13

1 The plan is now open for public comment.
 2 And we ask if you do have a comment, that you state
 3 your full name and affiliation for our transcript.
 4 You may also submit a business card for our
 5 transcriber.
 6 MS. WEISS: I have a question. My name
 7 is Llona Weiss, and I'm with U.S. Senator Claire
 8 McCaskill's office here in Columbia. What was the
 9 amount that is coming to Missouri from US DOE? It
 10 was 5 million something something 410 dollars?
 11 MS. OERLY: \$5,975,410.
 12 MS. WEISS: Okay. Thank you.
 13 MR. PREIS: My name is Darin Preis. I'm
 14 the Executive Director of Central Missouri Community

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WEATHERIZATION ANNUAL FILE WORKSHEET (continued)

Expiration Date: 6-30-08

Grant: R530683

Amendment: 009

State: MO

Program year: 2008

Budget period: 07/01/2008 - 06/30/2009

15 Action. I just want to thank the Department of
16 Natural Resources for the opportunity to administer
17 this program. We feel that it's a meaningful way to
18 address poverty in our eight-county community, and
19 we feel like it has longer term effects than just
20 simply providing utility assistance. And we're
21 committed to making sure it's the best program it can
22 be, and we look forward to working with DNR to ensure
23 that that happens.

24 MR. GASSNER: Thank you, Darin. We
25 appreciate that, and we do appreciate the hard work

14

1 that you and the other agencies do. Very helpful to
2 people that need that kind of weatherization work.

3 MR. PREIS: I apologize. We're selling
4 the property and we're gonna go close on it.

5 MR. GASSNER: Thanks, Darin.

6 MS. OERLY: Thanks for coming.

7 MR. GASSNER: Does anybody else have any
8 comments?

9 MS. WEISS: I'm surprised more agencies
10 did not show up.

11 MR. GASSNER: They typically don't show
12 up that -- there's usually not a lot of agencies that
13 show up. There's usually some representation but not
14 an extensive amount. We communicate with them and
15 they are familiar with what's going on.

16 MS. WEISS: Okay.

17 MR. GASSNER: We also had other
18 opportunities at meetings to discuss some of these --
19 some of these things --

20 MS. WEISS: Okay.

21 MR. GASSNER: -- we mentioned. And of
22 course they can provide comments up until the close
23 of business on April 4th.

24 MS. HOUSE: I'm Teresa House,
25 Weatherization and Program Director. I do have a

15

1 question to clarify the landlord agreement. Are --
2 what you-all are proposing is the landlords have to
3 contribute 5 percent for us to weatherize a renter?

4 MR. GASSNER: Yes.

5 MS. HOUSE: So if the landlord does not
6 contribute, then we can't do the home; we have to
7 walk away?

8 MR. GASSNER: That's the proposal.

9 MS. HOUSE: We'll probably make a
10 comment on that. Is that okay?

11 MR. GASSNER: Oh, yeah.

12 MS. HOUSE: Just send it to you-all?

13 MR. GASSNER: Yeah.

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WEATHERIZATION ANNUAL FILE WORKSHEET (continued)

Expiration Date: 6-30-08

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14 MS. HOUSE: Because that's not really
 15 fair for the low-income family that's trying to
 16 receive the service and it saves energy, to walk away
 17 just because the landlord -- if they're eligible, to
 18 walk away. That's not fair.
 19 MR. GASSNER: There was discussion on
 20 that. There's been discussion on both sides of
 21 that -- that issue and --
 22 MS. HOUSE: I can see maybe proposing
 23 something if a landlord had bunches of properties
 24 that they have to -- to do all the properties, but
 25 just one individual that's eligible, I can't see

16

1 walking away from those homes.
 2 MR. GASSNER: I understand. Okay.
 3 Well, it's 11 o'clock. We'll go ahead and officially
 4 end the formal public hearing. Marcy and myself will
 5 be available to discuss things if anybody has
 6 other -- further questions that they want to talk off
 7 the record.

(PROCEEDINGS CONCLUDED.)

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1 CERTIFICATE OF REPORTER
 2
 3 STATE OF MISSOURI)
 4) ss.
 5 COUNTY OF COLE)
 6
 7
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 9
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1 I, PAMELA FICK, RMR, RPR, CSR, CCR #447,
 2 within and for the State of Missouri, do hereby
 3 certify that the foregoing proceedings were taken by
 4 me to the best of my ability and thereafter reduced
 5 to typewriting under my direction; that I am neither

11 counsel for, related to, nor employed by any of the
12 parties to the action to which this hearing was
13 conducted, and further that I am not a relative or
14 employee of any attorney or counsel employed by the
15 parties thereto, nor financially or otherwise
16 interested in the outcome of the action.

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PAMELA FICK, RMR, RPR, CSR, CCR #447

**Low-Income Weatherization Assistance Program Public Hearing
Springfield, MO
April 4, 2008**

Summary

Attendees: Marcy Oerly, DNR/Energy Center
Joe Gassner, DNR/Energy Center
Todd Steinmann, Ozarks Area Community Action Corp.
Randy Martin, Economic Security Corp.
Melinda Smith, Missouri Ozarks Community Action
Terry Sanders, Ozark Action, Inc.
Kay Johannpeter, DNR/Energy Center

The public hearing commenced at 10:00 a.m. at the Springfield Conservation Nature Center located in Springfield, MO.

Mr. Gassner opened the hearing and welcomed the attendees. Ms. Oerly began by reading a Statement for the Record. The statement is attached in its entirety.

A copy of Mr. Steinmann's comments is attached. During discussion of the proposed five percent landlord contribution, Mr. Steinmann explained his agency's policy of waiving the required landlord contribution if the landlord has also been verified as low income. He would like the Energy Center to also consider this type of waiver for low income landlords. Mr. Steinmann also commented that a major change to the program this year is DOE's new space heater policy. A benefit of the new policy is that the unvented space heaters, if used as a secondary heat source, are no longer required to be removed from the home. However if the client continues to use them

after the weatherization work is completed, problems with mold could develop due to the tightness of the home.

A copy of Mr. Sanders' comments is attached. He also commented that if landlords will be required to contribute 5 percent, "5 percent of what" needs to be defined. Does that only include materials/labor or does it include overhead costs and is it based on estimated cost or real cost? Currently his agency bills the landlord for 35 percent of the total estimated cost, then after the work is completed, reimburses the landlord back to a 25 percent contribution, regardless of how high the cost actually is.

Ms. Smith spoke on behalf of David Miller, Executive Director of Missouri Ozarks Community Action. A copy of Mr. Miller's comments is attached.

Mr. Martin requested clarification on whether the agencies will begin phasing in the use of the Mobile Home Energy Audit (MHEA) on July 1, 2008, or they must begin fully using the tool on July 1. Ms. Oerly stated that it will be mandatory for all agencies to begin using MHEA on July 1.

Mr. Martin commented that the old policy stated that agencies should pursue a landlord contribution only to the extent that it endangers the possibility of a client receiving services. The work is being done on property owned by the landlord, but it is the client who is paying the utility bill. If a client is having to go without buying groceries or some other necessity in order to pay their utility bills, the new policy seems to discourage getting those clients service, in the event a landlord refuses to contribute. If the tenant is low-income and the landlord refuses to contribute, it is the client who is getting hurt. The landlord is actually benefiting from the work to be done, but we are representing the client, not the landlord. Some allowance should be given to allow the work to be done anyway, even if the landlord refuses to contribute. If a landlord can prove that they are, themselves, low income, an allowance should be made for that. However, if a landlord has multiple rental properties, they certainly should not get the service for free.

If a landlord is determined to not be low-income and also refuses to contribute, however, the tenants are experiencing high utility bills, an obligation exists to help them. Perhaps the level of the energy burden in the unit and whether the unit has children in it should be a consideration even if the landlord refuses to contribute.

Mr. Martin addressed the issue of space heaters also. His agency disconnects the space heaters, takes a picture of it disconnected, and requires the homeowner to sign a statement stating that if they reconnect the heater, it will result in a health hazard to the occupants.

Mr. Gassner stated that the landlord contribution issue is a difficult issue to resolve. It was

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WEATHERIZATION ANNUAL FILE WORKSHEET (continued)

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discussed in depth with the Policy Advisory Council. There is no easy answer. Upper management within DNR have had discussions with state legislators who are saying that landlords are receiving this free benefit and what is the incentive if you don't make them contribute. He stated there currently exists a large discrepancy among the agencies on what they require as a landlord contribution.

Mr. Gassner indicated that it would be less of an administrative burden to base the contribution on estimated costs in order to collect the money upfront. If it is based on actual cost, and the landlord is billed after the work is complete, what assurance is there that the contribution will be made at that point.

Mr. Gassner thanked everyone for their co